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THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Thursday, February 27, 1964.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. ELMAN GUTTORMSON (St. George): Before the Minister replies, I wonder if I could raise a matter which I think can only come on this item? Before he replies, does he have any objection?

Mr. Chairman, I think this is the only place on the Estimates that I can raise this matter and I prefer to bring it up now and that is the machine companies of the province. Every year I get complaints about the treatment that the farmer is getting from the big machine companies in the handling of their contracts with the farmers who buy machinery from them. As I understand it, the contract that the farmer gets from the machine company, they guarantee to supply parts for a period of ten years and agree to certain servicing of the machines in the early stages after the purchase. These machines which cost anywhere from several hundred dollars to eight and ten thousand dollars apiece, these companies are not stocking the parts required when there are breakdowns.

I can give you an example -- a pitman wood which costs perhaps only \$1.50, a farmer will require one of these parts and he may have to wait days and sometimes weeks because the machine companies haven't got them in stock, although the contract assures him that they will carry these parts for up to ten years. Ledger blades for the mower -- they don't keep these in stock. As the Minister knows, who is also a farmer, if he can't obtain these ledger blades his haying operations can be tied up for many days and sometimes weeks. My criticism is not levelled at the local dealer, because he can't get them because the company hasn't got them.

Now I don't know just what can be done to rectify the situation but I think it should be brought out into the open and I would appreciate if the government would explore some means of looking into the possibility of bringing about some legislation possibly that these companies would live up to their contracts with the farmer.

I know a farmer for example who has never been able to get his tractor serviced after making a purchase of \$8,000. As those of us who have cars, we get these chits for servicing and he still has all the chits with the contract because the company has never serviced it. Unfortunately, most of these farmers aren't in a position to battle these companies in the courts because they haven't got the resources, and it seems most unfair that these companies are taking this unfair advantage of the farmers in this respect. I would appreciate it if the Minister can elaborate on any thoughts he has on the matter and if he can come up with some solution which will rectify a very difficult situation in the province.

MR. MORRIS A. GRAY (Inkster): I have a question and I cannot find a single item under which I can bring it up. It will take me about a minute, so I would like your kind permission although I remember your warning.

Until the beginning of the Second World War, this department was called Agriculture and Immigration. Apparently due to the fact that there was no immigration during the war and probably a few years after the war, they have changed the name to Agriculture and Conservation.

Last year there were about 90,000 immigrants came into Canada from 45 different countries, which means it's not from the English-speaking countries. The figure shows that for the West, British Columbia have assisted in settling 9,200 immigrants and Alberta nearly 5,000. Manitoba's figures are not given. I was just wondering which of the departments, when they have such a problem as they must have had prior to changing the name or changing the portfolio, is looking after this. Are we established right now that we don't need any more immigration or they don't require any assistance? After all, I think we are still interested in immigration, or should be if we are not, and I'm kind of worried now seeing that the number is growing -- of course we don't carry any responsibility such as the Federal Government. Nevertheless, when they come to a province it's also the provincial business. So if anyone can tell me or the House where can we refer the problem case or a settlement case or a colonization case of the new immigrants coming into Canada which I say in 1963 numbered 90,000.

MR. HUTTON: Mr. Chairman, I have been invited by members opposite to make a statement. That's like inviting a bride to a wedding -- or a bridegroom -- interjection -- Well I have gotten past that stage. There have been quite a few things said here during the debate on the Minister's salary and I would like to deal with some of them and answer as many of the questions

(Mr. Hutton, cont'd)... as I can.

I have learned in my short time in the House that the member for Inkster has a perennial interest in helping people and that he has a particular interest in those people who come to Canada looking for a new home and a place to put their roots down once again. I would say to him that I haven't got the figures on the settlement of immigrants into Manitoba. They might be available through the Department of Mines and Natural Resources, because any Crown Lands that are taken up by these people are administered by the Lands Branch of the Department of Mines and Natural Resources.

But speaking about the change of name for the department, one only needs to look back over the history of this province to the important role that the settlement of land played in the development of this province to realize that in the past the designation of Department of Agriculture and Immigration was most apt and appropriate, because immigration and agriculture were almost synonymous. It was the land in the province that attracted the people to it. This has changed because most of the available land has been taken up over the years and there is only a small portion of virgin land available. Some of this is being disposed of in the Pasquia Settlement Project, but if I am not mistaken there are about ten applications up there for every piece of land that is available.

So having settled the great part of our available arable land and having taken up a large proportion of our agricultural land including grazing land, the emphasis in the department shifted to other aspects of agricultural development, and in 1959 the Water Resources from Mines and Natural Resources and the Drainage Section of the Department of Public Works were consolidated in a new branch which was assigned to the Department of Agriculture. And because there was a growing concern about the water and land resources in the province, a new name was devised for the Department of Agriculture, that of the Department of Agriculture and Conservation.

Since the present Minister has taken over, there have been many people who sometimes refer to it as the Department of Agriculture and "Conversation" and you may have noticed here the other day that the Minister of Municipal Affairs almost made a mistake in referring to my honourable body, but that is the reason for the new name for the department.

To the member for St. George I would say that he agrees it is a very troublesome problem, that of trying to achieve an adequate and satisfactory service for farmers with respect to the availability of repairs for farm equipment. We don't need any legislation. We have an Act which states that the farm machinery company or the agricultural machinery company is obligated to provide repairs within a reasonable time to any farmer who has purchased equipment from them for a period of ten years. The difficulty in matters of this kind is that if we were to enforce the letter of the law with the farm machinery companies they would, because of very practical reasons that I think you can understand, would be forced to put their emphasis upon providing repairs for equipment that was less than ten years old and abandon maybe to a significant extent the provision of repairs for equipment that was older than the ten years required by the Act.

Now a lot of people in Manitoba including the present Minister of Agriculture have a lot of equipment that is over ten years old, and maybe if we enforced this Act we would find that we would work a greater hardship on those people who were relying on machinery that was more than ten years old than is now being worked upon those people who find difficulty, in I think a minimum of circumstances or instances, in getting repairs for equipment that is under ten years old.

I believe that the machine companies stock these repairs on the basis of -- it's a judgment thing, a matter of judgment -- they stock those repairs that they feel, from data, information, experience, etc., appear to be those that will be in demand. Now the honourable member has indicated that things such as sickles and so forth have not been available. This type of thing has not come to my attention before, but I think we have got to be very careful in the administration of this Act, that while we try to solve the problems of a few, that we don't compound the problems of so many of the farmers of Manitoba who do indeed carry machinery that is not protected or no longer protected under the Act.

I have been approached by the Farm Organizations with respect to this problem and we believe that maybe some useful purpose could be served through a conference between the

(Mr. Hutton, cont'd)... representatives of the farmers and the farm machine companies to try and pinpoint the difficulty. You see we really don't know what percentage of the repairs are in short supply. It may be that 99.9 percent of the farmers' orders are being filled without any difficulty. Quite naturally we are made aware of those cases, whether they be one in a hundred or one in a thousand or one in fifty, where the farmer is unable to get satisfactory service. We feel that much would be accomplished if we could pinpoint this thing and find out just what the extent of the problem is. We had a problem, you may recall, in respect to the availability of repair parts on weekends and so forth during busy seasons such as harvest, and this I think was solved for the most part by a meeting between the company representatives and the representatives of the farmers. At least no further complaints have come to my notice.

The Department does, from time to time, offer its good offices in trying to resolve differences between farmers and companies, and in some cases we have reasonably good success in getting satisfaction for the farmer. Unfortunately, at times we are not able to satisfy the farmer within the terms of the legislation. But we will look into this matter and see what can be done, first of all to analyze the problem to find out the dimensions of the problem and see if anything can be done which isn't going to jeopardize another group of farmers.

I must say that one of the most enjoyable speeches I've listened to in a long time was made by the Honourable Member for Gladstone. I would just like to say to him that -- interjection -- well, I'm not going to make any guarantees, but I'll try to keep this as short as possible. He was talking about monuments -- the fact that I had stated that all politicians wanted to build a monument to themselves and their administration. Well, I wanted one that was 150 feet high, and that's of course what I was referring to when I spoke to the people at Portage. I had great visions, you know, of that beautiful dam and the fact that some day I might be able to take any grandchildren I might have, if I live long enough to have any, out there and point to this thing and say I was a part of the team that was going to build this dam -- the Holland dam. But you know, the hard, practical facts -- I had to face them, even though I was a politician and that's asking a lot -- I had to face these hard, practical facts that it wasn't practical to build that big monument to the people of Manitoba, to their forward-looking vision and so forth, and I had to settle for a channel, from the Assiniboine to Lake Manitoba. And you know, I've come to the conclusion, Mr. Chairman, that most of us, in fact I think all of us without exception, politicians, are going to have to settle in the end for a hole in the ground. Even though we may have these visions in the end we are going to have to settle for a hole in the ground, and there isn't going to be made very much difference whether you are the Minister of Agriculture or whether you are the member for Neepawa-Gladstone.

There have been some monumental inaccuracies in the criticism and comments of the opposition members in respect to our agricultural program and I think that I should comment on them because I would hope that the efforts of the Department that I'm responsible for are not subject to this misinterpretation in the country. I don't believe they are. But at any rate, I want to set these matters straight this evening. No. 1, the ag rep districts and the boundaries of the ag rep districts are not established and left indefinitely. Since I have become Minister, we have made several adjustments in ag rep boundaries. Since the Roblin government took office there has been a substantial increase in the numbers of ag reps in the province and the number of assistants there have been made available to meet the increasing demand for agricultural services. Last year, for instance, we established a new ag rep office up at The Pas to serve the people in The Pas area. I would like to make it abundantly clear that there isn't just one ag rep at Neepawa who has to serve this large area in the Neepawa-Gladstone part of the country. The ag rep at Neepawa has an assistant, and on the basis of the ag rep district the number of farms that these two gentlemen have to serve is relatively in balance with that which other ag reps are serving throughout the Province of Manitoba. We try to limit the number of farmers that must be served by an ag rep to something between a thousand, twelve hundred farmers. In the Neepawa district there are some 1,800 farmers but there are two bodies to do the work so it breaks down to about 900 farms apiece. We have undertaken to the people of Gladstone that we will endeavour within our financial means to extend this service. Some of the things I heard said here today I don't know to what extent that is going to restrict the efforts of my department to get more ag reps in the field because it will require an expenditure of money to make ag reps more readily available in the Gladstone area and it will take more money to

(Mr. Hutton, cont'd)... provide office facilities there for them.

Now I want to deal with this farm business analysis for 1962. The Honourable Member for Gladstone said that there was a newspaper article, and he quoted that it stated flatly that you could make more money on poor land than you could on good land. This farm business analysis for 1962 was drawn from the results of books kept -- farm accounts kept -- by 100 or more farmers in different areas of Manitoba who belong to our farm business groups, and the reason why it looks as if you could make more money off the poor land than off the good land is that 1962 was a remarkable year in the history of farm production in Manitoba. We set an all-time record of farm production in Manitoba, and what would be the natural disparity between the productive capacity of poor land and good land, or excellent land, was narrowed substantially, and of course in most cases your fair land is a light land, your cost of equipment -- fuel and so forth -- to operate this land is much less, and so on the basis of one year's operation it looks this way. But one must never jump to conclusions and as a result of the story that was quoted by the member for Gladstone, Mr. Albert Christianson, the senior rural development socialist in the Department prepared a series of three articles which were published, which explained and interpreted this farm business analysis. This wasn't done for the public at large; it was done so that we could provide a yardstick for farmers who were keeping accounts so that they could compare their production, their farm costs, and all the other factors that go into determining how much money is left over at the end of the year. This was done to provide a yardstick, so that in 1962 he could compare his 1962 results with the averages that are analyzed here, arrived at in this farm business analysis, and so he could have a yardstick to see whether his returns were comparable and if they weren't, why not, and how did he stack up with other farmers in comparable areas.

I want to say a little bit more about farm machinery. I want to say that Mr. Hays and Mr. Hutton don't agree. I am aware, in a hazy sort of way -- if that's a good term -- of what the federal Minister has been propounding as a solution to the farmers' problem. I frankly think that there are some very practical difficulties in his proposal, and one is that the good operator, the careful operator, is going to be paying the shot for the poor operator. One man's going to look after the machine and turn it back to the pool, another man's going to take it out and wreck it, and the good operator is going to pay for the poor operator and I don't know how that's going to go over. Besides, you know, Mr. Hays seems to be very taken with Russia and what they're accomplishing over there. Maybe this has something to do with another statement he made. He said that outside of Russia, Canadian farmers had the worst farm homes in the world. Now you know Russia's had a lot of experience in machinery pools. They've had them over there, I think, since away back in the '20's, and they haven't worked out. In fact I hear, they're going to have to junk their whole agricultural program. The same thing might happen to Mr. Hays. He might have to junk this. I don't think this idea in the form that it's been proposed by the federal Minister is too sound, and I have it on pretty good authority that the implement dealers don't think very much of this idea either. I'm talking about the dealers, not the machine companies.

I did propose to the Manitoba and Lakehead farm implement dealers that we need a service in the farm community and I called it an agricultural customer contract services industry, and the only difference is that there's a man on the machine that the farmer hires. Now there are several reasons for putting a man on this machine. The Honourable Member for Rhineland touched on another farm problem today and that is the shortage of labor on the farms. I am told that this past summer in Manitoba a thousand farm jobs went begging. Of course that was for the reason that we had full employment in Manitoba. But farmers cannot get experienced help. It is very difficult, and especially to go out and get men that you can put on these costly machines for a matter of a few days, and I believe that the lack of adequate labor force -- experienced and able labor force -- is an inhibiting factor in the development of agriculture in this province, and I believe that there is a place for an agricultural contract services business where the farmer and the contractor would enter into an agreement where the farmer would lease the crop and he'd know ahead of time that this fellow was going to provide him with a service and the contractor would know ahead of time what his commitments would be, because we have this other problem of the very high capital requirements to mechanize agriculture, and many farmers could well afford to pay by the acre or by the hour, rather than to invest all this

(Mr. Hutton, cont'd)... money in very costly equipment that they only use for a short time. This is already going on in Manitoba to some extent but it needs to be developed. There are people who, for instance, go around and clean out the loafing sheds of farmers. One of our very progressive farmers, just east of Brandon, has a man who comes in every year and cleans out his shed and he does it for several others and I am told that this year he bought his second complete unit to do this kind of work, and this chap, a very progressive farmer here in the province, seems to be very satisfied with the kind of service he's getting and he's satisfied too that he couldn't provide this equipment and the manpower himself at the same cost.

I don't know what the government's role in this is. We have the matter under study in the department. I would prefer if we could encourage it, encourage private enterprise to do this thing, and to lend our support to helping the private entrepreneur to organize his business in terms of getting sufficient farmers' subscriptions to allow him to make the necessary investment.

But that's the difference between my idea and that of the Honourable Harry Hays. He's patterning his after what they've done in Russia for the last 20 or 30 years. I think we've got a pretty good pattern right here in Canada that we can follow.

Now, it has been said by the Honourable Member for Gladstone that this government has done nothing to help the family farm. In other words we've done nothing for agriculture; and this was echoed again in the Legislature by some people and I'd like to have a look at this charge that the government has done nothing for the family farm or nothing to help agriculture. What is the family farm? It's been suggested by the Liberal party in this House that the family farm is finished in Manitoba. Well let me tell you, Mr. Chairman, that the family farm will be here long after the Liberals are long forgotten. The family farm is not a stagnant thing. It doesn't exist today the way it did 40 years ago but it's still the family farm, and the fact that they may produce 500 hogs on that family farm doesn't make it a commercial farm as opposed to a family farm. A family farm is one that is managed by a man and his family, where all the decisions are made by the owner and the manager, where the great bulk of the labor is provided by the owner, the manager, and his family. This is a family farm. It's the most efficient kind of production, or unit of production, that has yet been devised, and the most stable kind of production that yet been devised; and that family farm unit is going to change over the years. It's going to evolve and it isn't going to be the same thing as it was 20 years ago but it's still going to be a family farm, and I have the greatest faith in it and this government has thrown its support behind it. Well, they say we haven't done much for them. Some people say that I have acknowledged or confessed to the public that our programs are a failure; and it's true that I make confessions from time to time -- I think they're good for the soul -- and I know there can be no redemption unless there is repentance. That's something that the honourable members in the Opposition haven't learned yet. There is no redemption without some repentance.

I would like to demonstrate to you the results of the Roblin policy on agriculture in Manitoba. I have gone about -- and it's going to take me a little while to do this but it's worthwhile. This spring I had occasion to go down to Minnesota, Iowa, Wisconsin, Illinois, with members of the staff, to see what was happening down there in the hog industry, because we are very concerned, along with the Member for Elmwood, about the apathy in Manitoba towards this industry, and when I was down there I was impressed with the tremendous intensity of agriculture. Why, Mr. Chairman, they won't even throw away the corn cobs down there after they take the kernels off them. They thrash them. The corn cobs are used for beds. We waste enough in this province to make other men rich. And you talk about the future of the family farm. The average size farm in Iowa is 200 acres. I talked to a young man down there. He stood as tall as a pine tree. He was a university graduate and he was a tenant farmer. He said, "A lot of people tell me I'm crazy to come home here and start farming on a tenant basis." I said to this young man, "Do you mind telling me how much it cost you to get started down here?" "Well," he said, "That's hard to say." "Well," I said, "did it cost you ten thousand, or twenty thousand or thirty thousand?" "Well" he said, "if you had \$10,000 cash and you could get a bank loan, you might get started on a tenant basis."

Here in Manitoba the Agricultural Credit Corporation is making average loans to our young farmers, those under 31 years of age, of some \$11,000 odd and we're establishing them as owner-farmers. You asked me today, the Honourable the Leader of the NDP, what the outlook

(Mr. Hutton, cont'd)... was for agriculture in Manitoba. It's terrific. This is a land of opportunity in agriculture and if we'd stop condemning it and panning it, and get behind the people who are involved in it and give them the confidence -- this is what it needs, is confidence. Those people on those 200-acre farms down there in Iowa aren't scared of investing their lives in it, or their money in it. I saw \$50,000 hog barns on a half section down there. They're not afraid of agriculture and the future of agriculture and the future of the family farm. They didn't have any parity prices on hogs. No, they haven't got it on hogs, they haven't got it on cattle, and as a matter of fact, when I was down there in Iowa the price of hogs to their producers was less than the price that our Manitoba farmers were getting for their hogs. But we've got to restore, we've got to cultivate the confidence of our own people in our agricultural industry.

From time to time, Mr. Chairman, you read about the trend of American farmers to slip across the border into Manitoba or Saskatchewan and buy up some of our land. One of these people -- I met one of these people this past winter, and he was introduced to me as a citizen of the USA who had bought land in Manitoba, and he sort of apologized for it. I said, "Well if you'll come and live with us we'd just love to have you, but," I said, "we do worry a little bit about absentee landowners." You know what he said to me, Mr. Chairman? He said, "You know, the opportunities in agricultural industry in Manitoba are so terrific, we can't resist the temptation to come in there and take advantage of them." We have held our people down for a generation or more on the land by the traditional attitude that there was no future in agriculture, that it was a chronically depressed industry, that it was unstable and subject to all the vagaries and uncertainties of weather, the market, and everything else, and it was a bad bet. Now this is what we have done over the years -- interjection -- Oh, no -- now. And what were the results, what were the results of that attitude? There was no money for credit, because the farm was a bad risk. Nobody would take a chance on it. I'll tell you what the result was. In the years -- if you took 100 as a mean -- in the years of 1940 to '45, Manitoba's index was 111. Between the years of 1946 and 1955 we actually lost ground. We produced less, not in terms of dollar value but in physical volume -- we produced less during the years 1946 to 1955 than we did in the war years. And remember we got electric power in Manitoba in 1948.

I've been going around this province saying, "Let's get going." Our record is the third poorest in Canada. Only two other provinces in Canada have shown less increase in productivity than the Province of Manitoba, and one of them is Saskatchewan and the other is Nova Scotia, and it wasn't very much to brag about. We only showed a 10 percent increase as compared with the rest of Canada, which showed a 23 percent increase. But I want to tell my honourable friends in the Official Opposition, if they had stayed in office we wouldn't have been the third worst. We'd have been the worst in Canada. How do I know? Because I look at the record. I look at the record. Yes. Since the Roblin government came to power in 1958, the increase in agricultural productivity -- now this is the actual physical volume of production has increased by 15 percent. The overall story for the total period is that by 1962 we showed a 10 percent increase over our physical output of agricultural products in the war period. The record of the former administration here is that we lost ground. In 12 years we lost ground. In the record of the last six years since the Roblin government took over and started to put their moral support and financial support and demonstrate some confidence in agriculture and with the help of a federal government that had a constructive and positive agricultural program, there has been an increase. That total 10 percent increase took place in this latter period under Conservative government administration. So if we're going to pan, if we're going to pan a program, let's look back to what was accomplished over more than a decade, which was absolutely nothing. And then let's look at how the farmers have responded -- and I'm not going to take the credit for this government, because it was the farmers who did it, and I believe that the whole secret in this attempt to get agriculture on its feet is a question of attitude. And if we have the right attitude, if we demonstrate confidence in agriculture, we'll be providing leadership and the farmer will follow that leadership and he'll demonstrate his confidence.

Now, I want to give you some examples of how programs pay off. In agricultural credit, we have an analysis of loans made to several hundred farmers under 40 years of age, and these farmers showed a 50 percent increase in the cattle populations on their farms. We have 700 young farmers across Manitoba enrolled in farm business groups, and these, the graduates -- we graduate so many every year; these farm business groups were started in 1958 -- we now

(Mr. Hutton, cont'd)... have 700 enrolled in some 27 of these groups across Manitoba. This year over 100 of them graduated after taking a 4-year course with the department. We made analysis of their farm business over that 4-year period. Those young people showed a 75 percent increase in the number of cattle on their farms. They showed a 61 percent increase in the number of hogs on their farms. They showed an increase in the amount of land that they had sowed down to grass and legumes. They showed an increase in the amount of acreage that they were putting into special crops. I'd like to point something else out, Mr. Chairman, that these people demonstrated a 61 percent increase in hog production at a time when the province as a whole was showing a 17 percent decrease in production.

Now I don't think that this is evidence that would substantiate the criticism that was made by the Honourable Member for Gladstone, in his whimsical and humorous way, that the -- he blamed it all on me. He says that the Honourable Minister hadn't done anything, and I'll have to agree with him that I haven't done anything in particular, but the policies of this government have enabled the farmers of this province to do a great deal to strengthen the family farm and to give us a more productive agriculture in this province.

Mr. Chairman, there is another point I want to make here tonight, because the Leader of the NDP has invited me to make a statement on policy and where agriculture is going and the importance of it. This is a land-based economy. There are only 42,000 farmers on the land today, and a lot of people have a tendency to think that because there's only 42,000 of them left out there on the farms of Manitoba that this industry is less important than it used to be, but while there are only 42,000 of these farmers out there this industry has changed. And where it was once self-sufficient, it is now highly dependent on a great number of service industries that service it. There are more people depending on agriculture today in the province of Manitoba than ever before in our history, directly and indirectly, and don't let anybody ever forget this fact. And if you're going to build a superstructure of secondary industry and so forth, you're only going to be successful in this insofar as we are successful in encouraging and helping the farmers of this province to broaden the base of agriculture and to increase our output. There are probably somewhere from five to ten people in Manitoba who are depending on agriculture, who don't own a farm or don't have any direct control over the way that land is used.

There was something said here today about price. The government here never represented the farmer on the question of price support. I remember one of the first sessions of the Legislature that I held this portfolio that we had a little "do" in the House one night about eggs and egg supports, and I think at that time we demonstrated that it didn't even matter if a party of our own stripe was at Ottawa, that we were not afraid to speak out for the farmers of this province. If we weren't afraid then to embarrass our friends, we're certainly not afraid today to fight for the farmers of Manitoba, but we have maintained all along that price was only one factor. I have -- I hope I have it here -- a paper -- we weren't timid about crop insurance. We have fought consistently for a reinsurance program with Ottawa, but I can tell you, and on the basis of our present negotiations I am far from confident or encouraged that any worthwhile effort is being made to make a practical program of reinsurance available to the farmers of Canada.

At the Farm Conference Week now going on at the university, Dr. Gilson made some very interesting comments about the instability of farm income, and this is something for everybody in this House to think about. It is a well-known fact that the addition of livestock to the grain economy of Western Canada did much to modify the risks and hazards of a one-crop economy. Let us examine the relationships between fluctuations in farm income and the degree of diversification which has taken place in four provinces of Canada.

In Ontario where farmers now derive over 70 percent of their income from livestock, the average year to year variation in net farm income between 1940 and 1962 was only 13.7 percent. In Manitoba, where 46 percent of the cash farm income is derived from livestock, the average year to year variation in income was 41.4 percent, and in Saskatchewan where only 27 percent of the income is derived from livestock, the average year-to-year variation was 70 percent. Stability of production is just as important to solving the farmer's problem as price. As a matter of fact it's a bigger factor, because he is more vulnerable, and all you have to do, Mr. Chairman, is go out in the part of the country that I represent, and the Honourable Member for Brokenhead represents -- and some others here -- and the farmers out there, many of them couldn't have cared if wheat was \$5.00 a bushel. They didn't have any. What good would it have

(Mr. Hutton, cont'd)... done? The Roblin government has said all along that we had to have a crop insurance program that would iron out and stabilize these wide variations in farm production.

I could go on and on and on and talk about the agricultural program that we have here in Manitoba. Let's talk about it -- farm credit; crop insurance; we've put more ag reps in the field; we pioneered in television extension work in Manitoba. Today, Alberta and Saskatchewan are now cooperating with the Province of Manitoba and the CBC -- and I must give great credit here to the CBC, because they've given us not just cooperation, but they've given us tremendous financial help -- interjection -- All right. Now, we started there. This past year we had a program, a weekly program over Brandon station called "Ag. Reviews." We are now going to have in the future, we hope, to have programs, weekly programs over the Yorkton station, over the Winnipeg stations, and I believe the Pembina station, so that we'll be able to pretty well blanket agricultural Manitoba with TV extension programs, not only on a once-a-year deal, but on a weekly basis. We put out radio tapes. These are all things that this government did, to bring more information to the farmer.

This year we stuck our neck out -- yes, we stuck our neck out. We said, "We've got to give this leadership to the farmer," and we set up those market outlook conferences at Brandon, and there's one this week out at the university, and there are going to be a number of them up in the northwest part of Manitoba, from Dauphin up into Swan River; to bring this information to the farmer, to make him aware of the opportunities there are, and to encourage him to venture into new fields and to take advantage of new opportunities. Look at the way we increased the drainage and conservation program. We've provided improved drainage for hundreds of thousands of acres in Manitoba. We've got the biggest program of this kind in Canada, the most generous grants of any province in Canada. We built as many dams and reservoirs in this province in five years, I think, as the former administration built in all the years they were there.

MR. PAULLEY:and lowered the water in more wells too.

MR. HUTTON: Oh no, I'll deal with that. This government got behind the suggestion that the marketing of livestock in Manitoba needed some study, and you have had the advantage of looking at the results of the very fine work that they did. Look at the extensive emergency programs that this government undertook in 1959 and 1961. We increased the number of community pastures in this province last year -- or in the last five years, pardon me -- the last five years by some 50 percent. Well, I can go on. These are some facts.

I'd like to talk about some other facts, and Mr. Chairman, these are some of the other monumental misstatements that have been made in this Legislature. I would call them -- refer to them as a tired tale of tedious trumpery -- and they're about the floodway. If I can, I would like to examine -- interjection -- No, I think I'd better deal with it -- I think we should deal with it right now.

MR. PAULLEY: I wonder, Mr. Chairman, before my honourable friend gets bogged down in the floodway once again, whether he could answer the simple question I asked before we left at 5:30. What is your advice to the farmer of Manitoba in respect to the year 1964? I haven't heard the answer what happened five, ten, fifteen years ago. What I asked was, what is his advice to agriculture today?

MR. HUTTON: Our advice to agriculture today is to produce. In a province where we need more hogs, we need more cattle, we need more cheese. We're importing broilers. There are opportunities to produce, and all of these opportunities are covered in that booklet that was made available to every member in the Legislature and is available to the farmers -- interjection -- We believe that there's an opportunity to sell,...

MR. PAULLEY: I'm talking about

MR. HUTTON:or to produce another 15 million bushels of wheat in Manitoba over and above what we produced this past year. But we say to the farmer, You can produce this without extending your acreage. Use fertilizer; produce the wheat; and go ahead and produce the livestock products. Let me make one thing clear, Mr. Chairman. The Department of Agriculture is not urging the farmers of Manitoba to substitute livestock for wheat. What we say is, "intensify." You can grow all the wheat you're growing now and you can grow these other things too. We have set a goal in the department for 200,000 acres of corn in this province. This past year we produced about 40,000. We say that land that is now lying idle in the

(Mr. Hutton, cont'd) ... Province of Manitoba in summer fallow, well over 2 million acres, much of it can be put into production, of substitute crops that is substitutes for summer. But you can grow corn; you can grow oats and peas for fodder, and so forth, and solve the shortage of fodder. And you don't have to reduce your production of other products. We want to bake a bigger pie. We don't want to be like Jimmy Gardiner -- God rest his soul -- when I went to Ottawa, and he said, "You gotta cut the pie in fewer pieces." We're not interested in cutting it in fewer pieces. We want a bigger pie. That's what we're after -- a bigger pie in Manitoba. And the secret of the whole thing is, if we bake a bigger pie, it isn't only going to be the farmers who eat off that pie. It's going to be everybody else that's associated with the agriculture industry.

MR. PAULLEY:the ingredients to bake the pie.

MR. HUTTON: Well

MR. SHOEMAKER: Mr. Chairman, before we do get bogged down in the floodway, I just have two questions, brief ones. The 42,000 farmers that my honourable friend refers to, does that include the market gardeners and all -- the horticulturists, and so on and so forth? That's No. 1. The other question is, did he or the Honourable the First Minister sign this proclamation. There's a picture here of the Honourable the Minister of Agriculture, the First Minister, and the President of the Farmers' Union. Very excellent picture, it is. And the proclamation: did he sign it, or did the First Minister sign it, because here's what they signed: "Whereas agriculture is the basic industry of the province" -- we know that -- "and whereas in spite of a high level of efficiency of production, the farmer's share of the national income remains at a level that is causing grave concern." Now, I don't know whether he signed it or whether the First Minister signed it, but there's the picture of one of them signing it.

MR. HUTTON: I don't think it matters who signed it. I can't remember that.

MR. CHAIRMAN: ... finish your statement, and then we can ask questions afterwards.

MR. HUTTON: Mr. Chairman, there's no difficulty in reconciling the fact that we are pushing for a more productive agriculture and the fact that we say that price is only one of the factors in the returns to the farmer. There's no difficulty reconciling this with the fact that we subscribe to the difficulties of the farmer. We know he's got difficulties. So has everybody else got difficulties -- one thing that is within our ability to do -- we can help him to produce more. And as we help him to produce more, he is able to meet this growing challenge that he has to face. Do you think that Manitoba's the only place in the world where this sort of thing is going on? Let me read you something from North Carolina. Some people seem to think that Manitoba farmers operate in a nice cosy little place that's got a wall around the four borders of this province, and they don't have to take into account the competition that they face from other areas. North Carolina is unique -- 1.6 billion in '66 program. "Farm people in North Carolina are in the second year of a massive effort to raise their gross income 24 percent in five years. Organized under the leadership of the Agricultural Extension Service this effort has become known as 'North Carolina's 1,6 in 1966 program.' If income goals are realized, the state's farm income will reach 1,575 million, nearly 1.6 billion, in 1966. This would be about 328 million more than the 1961 income. Origins of this unique program, at least for North Carolina, can be found deep in the needs of the people. About 20 percent of the state's population lives on farms. The farms are relatively small by national standards, averaging slightly over 70 acres. While per capita farm income increased from \$612 in 1950 to \$1,150 in 1960 the need for additional income is often acute."

These farmers are up against the same thing and our farmers are in competition with. The Honourable Member for Elmwood mentioned the fact that our farmers are facing competition from U.S. pork. Sure they are, and if we don't produce it here in Manitoba there are farmers in every other jurisdiction all around us that are tickled to death to do so, and the farmers in Ontario increased their production 17 percent while our farmers decreased theirs by 17 percent. And that market is lost to us forever, and that's true. I believe that there is -- interjection) -- it's lost forever. You'll never recapture that market. It's gone. You'll get a part of a further expansion in the market ...

MR. PETERS: ... we're going to continue getting pork from the United States?

MR. HUTTON: If we don't get busy and produce it here in Manitoba, it's going to come in from the United States.

Mr. Chairman, there is something in this for everybody that lives in Manitoba, and this is

(Mr. Hutton, cont'd)... the point that I want to get across. The farmers in this province don't need to be a lobby. They have the best case in the world, because on their ability to expand agriculture and to provide an ever-broadening base for our economy, on their success rests the happiness and the welfare of countless other people in this province, and this government has been dedicated and continues to be dedicated to the premise that this industry must get all the help that we can within reason and practically give to them. I believe that agriculture has a future in this province. We have set out the opportunities for agriculture production in 1964 and you all have a pamphlet. We are trying to do these things, I think that I've spent enough time up here now to point out that we have done a pretty good job. I think that I have pointed out in the speech that I heard read back to me that we're not satisfied and that we're going -- in our Department we're prepared to keep on prodding for more and more action; for more and more results. And I have every confidence that with the programs that we have had and the programs that we are introducing this year and inevitably will be introducing more in years to come, that we can end up second to none in Canada.

But I would like to deal with the floodway if you would let me. Very briefly. Because this is a very illuminating -- interjection -- I'll do that too. This is a very illuminating statement. It was said in this House -- someone said in this House, the Honourable Member for Burrows, "Recent studies show that several control dams in the United States on those tributaries that feed the Red River have been constructed to control overall flood conditions on the Red River since the last flood. Now on page 6 of this pamphlet it is absolutely amazing to find out that the answer to one of the questions is because the commission says 80 percent of the waters start to the south of us in the United States and we simply have no control over them." This statement: "recent studies show that several control dams in the United States on those tributaries that feed the Red River have been constructed to control overall flood conditions on the Red River since the last flood" -- I want to read a telegram. This telegram is from the Director of Water Control and Conservation of the Province of Manitoba. I asked him to inquire about this and this is the way the telegram reads: "Effective storage dams on Red River in U.S. discussed today with Lieut-Col. Hardy, District Engineer, U.S. Army Corps Engineers, St. Paul, and Milo, North Dakota State Engineer. Advise construction of only minor conservation projects since 1950. No significant effect on flood flows in Manitoba, Total storage to date in U.S. only offsets increased flood flows due to U.S. channel improvements. Current studies objective only to increase future low flow. No future prospects of significant flood benefits to Manitoba since sites for adequate storage volumes are non-existent."

MR. HRYHORCZUK: Mr. Chairman, if I may, with the permission of the Honourable Minister, did I hear him correctly? That's on the Red River?

MR. HUTTON: That's on the Red River.

MR. HRYHORCZUK: Not on the tributaries?

MR. HUTTON: This takes in the tributaries. This is control

MR. HRYHORCZUK: Mr. Chairman, it doesn't say so. Will you please read that again.

MR. HUTTON: This would be the control dams on the Red River and its tributaries. I have no doubt about it, and if the honourable member wants to put his reputation on it I'm willing to put mine on it.

MR. HRYHORCZUK: I'm not talking about the Honourable Minister's reputation. He read a telegram that refers to the Red River and has absolutely no reference to the tributaries. The Honourable Member who made the statement that the Honourable Minister is complaining about was talking about the tributaries and not the Red River.

MR. HUTTON: Mr. Chairman, let me read the rest of it -- "Total storage to date in U.S. only offsets increased flood flows due to U.S. channel improvements. No future prospects of significant flood benefits to Manitoba since sites for adequate storage volumes non-existent." No significant effect on flood flows in Manitoba. Maybe I should read it again.

MR. PETERS: No, give it to Shoemaker -- he can read better.

MR. HUTTON: Then here's another statement: "The preliminary studies indicated the cost to run someplace between 16 cents to 20 cents per cubic yard. The actual cost is now exceeding 31 cents per cubic yard." Well, I don't know where the honourable gentleman got his information. If he read the Royal Commission report, and I hope he has one, it says -- and this is a quotation: "In the original cost estimates, it was assumed that the average cost of

(Mr. Hutton, cont'd)... excavation would be 30 cents per cubic yard for ordinary material and a dollar per cubic yard for hardpan. These costs were reviewed with a number of engineering authorities and with a group of construction contractors. After careful consideration it was decided that the original cost estimates for this item should not be changed." That's a quotation. "The original estimate in 1958 was 30 cents a yard for ordinary material and a dollar per cubic yard for hardpan. To date no contract on main channel excavation has exceeded these estimates which were originally made in 1952 and again reviewed in 1958. All tenders through 1963, five years after the review in '58, have indicated that they still hold firm. To date there has been no need or reason to upgrade these original estimates. As costs generally have been increasing in the last few years it is not inconceivable that it may be necessary in the future to raise these estimates slightly. But certainly not anywhere in the area of 100 percent."

I want to look at some more of this information that was given to us. Then I was charged with having denied to the contractors who came and pleaded with me, to delay the calling of some of these contracts, and as a result the local contractors are losing out. Now, in the first place, nobody came to see me. There was a little newspaper story, but he didn't come to see me, and it was one contractor, and it is my understanding that he didn't feel strongly enough about it or convinced enough of his facts to make an official representation. But whether he came near me or not, here is the story. In 1963 there were 18 contractors on the floodway. Sixteen of them were Manitoba contractors, two of them were from outside Manitoba. As a matter of fact, out of a total of 53 contractors doing work for the Water Control and Conservation Branch, 51 of them were Manitoba contractors, two of them from out of the province. You know, these criticisms are so numerous that

Now, grouting. We were told we were going to have to grout the whole floodway if we were going to save or preserve the ground water supply. I just want to read some of this. "And it was said that last year the Minister of Agriculture gave notice to this House that there were certain problems arising from the underground water tables in Greater Winnipeg, and he used the excuse that this was due to the large amount of water that was being drawn off by industry. Madam Speaker, this is incorrect. I feel that this was giving us advance notice for one obvious reason that the floodway was going to interfere with the underground water conditions in Greater Winnipeg, and this was the reason for it." And then he goes on to say that we have interfered with it, that it wasn't the bridge on the perimeter that did the damage, it was the spillway; and he says the underground water will never return -- it's finished; it's being destroyed. And then he goes on to say, "And the only answer, the only proper engineering answer, to this is grouting, and this is a very, very expensive method of grouting in order to keep the underground water out of the floodway channel.

"The only location where it has been definitely decided to use grouting techniques has been around the inlet control structure where we are going right into the bedrock and exposing the aquifer. Currently under consideration is the possibility of grouting under the individual piers for three or four bridges so as to improve the stability of design and prevent any possible removal of lateral support from steel piling by the washing out of the fines in the hardpan by the bedrock. In the St. Boniface area, in the vicinity of the packing houses, the water table between 1913 and 1945 has been drawn down in the order of 40 feet. In the Springfield area, where many flowing wells used to exist, water table levels are now approximately 10 feet below ground level. This, plus other data, indicates that there has been more water withdrawn from the aquifer than nature is putting into it. In effect, we now have a situation, prior to the advent of the floodway, where water mining was in existence. Very little effect has been felt in the way of water table reduction due to the construction of the floodway outlet structure. If the speaker is referring to the recent rash of wells being seriously lowered in the vicinity of the north perimeter bridge in East St. Paul, it has been proven that this reduction was due to the construction work on this bridge and not the construction work on the Red River floodway. Water levels in the affected wells recovered in the order of 10 feet when pumping ceased at the bridge site. It is true that ground water which is pumped out will not be returned. However, it should be noted that to date all indications, including borings, and seismic investigations, have indicated that at no point will the floodway channel intercept the bedrock aquifer. Thus the aquifer and the water within it have not been destroyed. It is true that the floodway channel will have a considerable effect on ground water level for some distance on either side of the floodway channel. However it is

(Mr. Hutton, cont'd)... impossible for the floodway works to draw this ground water level below the bottom of the excavated channel. The aquifer referred to in these remarks is the bedrock surface aquifer. " And then further on grouting. "For two reasons, "-- and listen to this -- "For two reasons there is no consideration given to the grouting of the entire length of the floodway channel, as suggested. (a) If it were feasible to grout this channel in an effort to keep the water from the bedrock surface aquifer from entering the floodway, the only thing we would really accomplish would be to assure that nobody to the west of the floodway would get any further water from the aquifer. If we were successful in accomplishing this grouting of the aquifer we would prevent the normal discharge of water to the Red River, which at certain locations is a discharge area for this aquifer. This would cause a build-up of water to the east of the floodway and the grout curtain which would in turn cause the various wells in this area to again become flowing wells, and would create serious drainage problems. "

So, Mr. Chairman, the only reason I went over this was to show the kind of inaccurate information that is used to attack the programs of the government, and I think it's a good measuring stick that can be applied to a great many of the other things that have been said.

MR. PETERS: Mr. Chairman,the Honourable Minister mention that with this new course that they are giving to students on their producing -- what? -- 75 percent more hogs than they did before and 61 percent more feeder cattle than they did before? Is that a correct statement?

MR. HUTTON: 75 percent more cattle and 61 percent more hogs.

MR. PETERS: Oh, I've got it backwards.

MR. KEITH ALEXANDER (Roblin): That's not unusual.

MR. PETERS: For you it wouldn't make any difference; you don't anything anyway. What I was going to get at, Mr. Chairman, it doesn't matter how many feeder cattle they produce or breed in this province. All you have to do is go on a Monday morning out to the Union Stockyards and see the United States trailers taking our feeder stock away from this province, and the reason that they're doing it is because they want it. The Honourable Member from LaVerendrye mentioned it the other day that there's not a spread between feeder cattle and a finished steer or beef cattle. There is very little difference in the price, and the reason for this is that the United States producers of beef cattle want our feeders, and are coming and getting them. And I don't care how much you increase your production of feeder cattle, they're going to go south of the border, on the same basis that they're producing hogs on the other side of the line and controlling the price of the hogs on this side of the line, and you would say that we have lost our market forever. We will never lose that market if you go out with the Federal Minister of Agriculture at Ottawa and do a job and get our overseas markets back. Don't sit there and say that we've lost them forever. You, as the Minister of Agriculture, should never say that.

MR. HRYHORCZUK: Mr. Chairman, we listened with considerable interest to the Honourable Minister for just about an hour and fifteen minutes. Yes, it was a good speech as far as I'm concerned, and I'm speaking as a politician now, because the Honourable Minister, if he proved anything, he proved that he has very little use and very little respect for the farmers of this province. And I would just like to see him send copies of that speech to the farmers of this province and see the reactions he gets from them. He complimented 700 farmers out of a total of 42,000, but the balance of the farmers are responsible for a 17 percent reduction in pork, a farmer wastes enough to make another man rich, and he tells us what happened to him when he visited the United States, and where a farmer, which he gives to our farmers as an example was able, with \$10,000, to really make things go. And by inference, in spite of the fact that our government is prepared to give our farmers financial aid, our farmers haven't got what it takes, according to him. And he gives us a further example, that if our farmers were efficient, then we wouldn't see the farmers from across the line coming in here and buying up the land. By inference, our farmers don't just know what they are supposed to do. And I'm very much surprised that the Honourable Minister would let himself go so far as to condemn some of the hardest-working and most efficient people that we have in the Province of Manitoba. If they are not producing to the extent that the Honourable Minister would like to see them produce, it is not lack of courage nor lack of confidence, because it takes a man with a lot of courage and a lot of confidence to stay on the land, and it's only courage and confidence that keeps him there, always hoping that probably there will be some solution for the various problems he has to face.

(Mr. Hryhorczuk, cont'd)...

Now it so happens that I added to the number of acres under forage crop and the number of livestock there is in the province, and I can't give any credit to the Roblin government for that. And I'm sure that there are thousands more like me. If we are not producing to capacity there must be good and sufficient reason, and I was hoping that the Honourable Minister, instead of blaming everything on the lack of courage, lack of efficiency, lack of confidence, -- Oh, no, no. It's in the Hansard. That's what you said tonight. I don't know whether you were talking when you were half asleep, but that's what you said. Now I was hoping that he'd come out and tell us how these problems could be solved, and he didn't. The only thing he was able to say was that the Roblin government with its confidence and its moral courage and so forth was helping the farmers. Then he turns around and tells us exactly how the farmers are responding. They haven't got the courage nor the confidence. Well, Mr. Chairman, I happen to come from a part of the province where most of the land is marginal. In order to bring this land under cultivation it took a lot of toil and sweat, and a lot of confidence. The farmers in that area during the past several years -- not very long -- have found that they were just unable to compete, not because of efficiency but because of the size of the holdings. In order for a farmer to be successful on the farm today, especially if he is on marginal land, to be able to make not a profit but a reasonable living out of the farm, in order to reduce his cost of production -- unit cost of production -- he must farm on a much larger scale, because of the cost of mechanization, and we're fast reaching what is known as the "push button stage" in farming.

Now, what is actually happening? During that period of several years, one third of the farmers had to give up. They just couldn't make it. Another third of the farmers that are still left on the land have to supplement their farm income by working outside of the farm in order to make a living. The balance are getting by. Now what is it they actually need? Do they need moral support such as the Honourable Minister has offered us tonight? No, that isn't what they need. What they need is advice from men like him in responsible positions, as to how to make the best use of this poor land that they happen to be on; what types of crops to grow on it; and if they're to change it to cattle what type of grasses; have soil tests made; have complete information on the kind and quantity of fertilizer to use; the kind and quality of cattle that they should be going into -- some practical suggestions of that nature, and not the kind of empty statements that we've heard here tonight from the Honourable Minister. In spite of the hardships, I say to the Honourable Minister that the men who I'm talking about, and their families, have all the courage and confidence in the world in farming but they need some modern education to meet today's requirements, and I say that is the responsibility of the Department of Agriculture in this province; and I know that studies are underway now as to the type of fodder to grow, the type of grasses, soil tests and so forth. I would suggest to him that if he wants to see production increased in the Province of Manitoba, that he turn over this knowledge that must be in his possession -- and if it isn't I know he can get it -- but turn this knowledge over to these farmers and they will respond with the kind of production that he expects them to give.

..... Continued on next page.

MR. SCHREYER: Mr. Chairman, I would like to say a few words about the statement made by the Honourable Minister of Agriculture this evening, because, although he made a short statement the other night, and I did likewise, I feel that what he had to say tonight reopened a lot of discussion that has taken place here before. I think that I must say that his Department and the government has succeeded by way of pamphlets, other publicity, newspaper articles, and so on, to create the general impression that they have a far-reaching program for agriculture and that they are determined to push it along; but it is also true to say that among the actual farmers themselves in this province, they are not responding in any way that would indicate that this government has, in fact, got a program and that it is, in fact, pushing it. There is some confusion, mainly because they have no way of knowing just where this government, this Minister, stands on some of the basic issues and problems facing agriculture; because when you push all of the press releases and pamphlets to one side what have you got left? We can ask the very plain question; what has been done of substance, in the field of agriculture, in this province? What has been done that is truly innovating? Take crop insurance. This government has taken the posture over the past few years that they are determined to push crop insurance and I want to say to my honourable friend, the Minister, that despite his statement tonight to the contrary, I can recall that when his friends were in power in Ottawa he was very timid as to how far he would go to push the idea that crop insurance, to be workable in the province, required a federal program of re-insurance; and I can also recall his predecessor in that department, who has now gone elsewhere, I can recall him making a statement in this House to the effect that the crop insurance program as announced by the Diefenbaker government, was just fine and dandy and I can show you that in Hansard. This Minister, the present Minister, took the view that perhaps some adjustments could be made but he didn't really push hard the idea of re-insurance until just a year ago and now this year he's really pushing hard; and I can remember the former member for La Verendrye, Stan Roberts, saying in this House at one time that crop insurance would very likely not get launched in Manitoba to any degree, and this Minister really snorted at the idea. He just guffawed it. He said, no, it would come about. To what extent have we got crop insurance in this province today? The answer is obvious, it hasn't really been launched. It's still on a pilot test basis.

What about livestock? The production of livestock in this province obviously should be stimulated. I want to ask the Minister, what specific single program has been carried out in eastern Manitoba to promote the production of livestock? Two years ago we heard quite a bit of talk from him to the effect that community pastures would be established in various places in eastern Manitoba. To my knowledge, not one has yet been established and in eastern Manitoba, without several community pastures being established it's not likely, nor is it feasible, for livestock production to be increased by any substantial amount.

What about agricultural credit? One only need look at the statement to see that a substantial amount is being loaned out by the Agricultural Credit Corporation but what is it being loaned out for, Mr. Chairman? It's being loaned out primarily for the acquisition of more land and it seems quite obvious to me that it is not being utilized in the sense that it was primarily intended for, namely, to provide the funds for the acquisition of machinery and other things necessary for more intensive farming. It's being used for the purchase of land precisely. I thought I had it here before me. Oh yes, I do. I look at the report for the last fiscal year on page 5 and I see that of \$3,600,000 loaned out by the Corporation last year, 2.9 million was for the purpose of purchase of land and .7 percent for the purchase of equipment or livestock and so on. Eighty-one percent for the purchase of land. Now members may ask, "Well what's the point? What point are you trying to make in this connection," The member for Brandon just asked me that. What I'm trying to show, in a logical way, I'm trying to reconcile the performance of the Credit Corporation with the statement made by the Minister of Agriculture and the Premier of this Province, because occasionally he also speaks on agriculture. In fact, when I was running for re-election in 1959 I thought that perhaps I should try to get a balanced view of my outlook on agriculture so I undertook to do some research to find out what our First Minister had been saying in the past 6 or 7 years about agriculture. I had received some training from what I considered to be a good source, the founding president of the Manitoba Farmers' Union. I thought perhaps I was getting too radical a view so I thought

(Mr. Schreyer, cont'd.) I will look at a more reactionary source -- so I thought I would look for a more reactionary source of information so I looked up some of the speeches made by the Premier and after I read them I found that they were pretty good. In fact I hadn't learned anything that was substantially different from what I had thought all along but then, statements made by the Minister and by the Premier since then have been just a little different. It seems to me that it depends where the Minister is speaking because on one occasion and in one place he will say one thing on a particular issue and then a few months later and in a different place, speaking to a different group, he will say almost precisely the opposite. I don't intend to throw that out without some specific proof and that's what I'm proceeding to now, Mr. Chairman.

I want to consult Hansard of 1962, on page 1880, because, Mr. Chairman in 1962, 1961, 1960, '59, '58, I had said time and time again that in my opinion there were two very unfortunate things that were occurring in agriculture and that were showing up in the press releases of those years. The first unfortunate thing was that there was so much constant talk about surplus production. Such a great worry about surplus production in Canada and the dangers that it posed to our economy and to agriculture. And the second; I deplored the fact that nothing tangible was being done to provide a measure or a system of price supports that would enable us to help stop the exodus of the farmer and it was in that vein that I was speaking even in 1962 Mr. Chairman, and the Minister of Agriculture answered me as follows, and the Minister is speaking now, "Mr. Chairman, the Honourable Member for Brokenhead equates the exodus of farm people to a failure of farm policy and equates it with the worst interests of the rural community." And I said to him then, "Don't quote from The Deserted Village, as he liked to do from time to time, and the Minister said, "Oh, no I don't need to quote from The Deserted Village. The man who wrote The Deserted Village was regretting the exodus of people. I think that we don't have to have nearly so much to fear." That's in 1962. And then, December of this year the Minister is speaking to the Manitoba Farmers' Union Convention in Winnipeg, and this is what he had to say -- "Manitoba Minister of Agriculture, George Hutton, Tuesday blamed a dwindling farm population for the province's poor showing in agricultural production. Agricultural production, he said, is suffering from lack of people to do the work that needs to be done." He went on to say, "Stop chasing people off the farm, he advised." Now I ask you, for anyone here to attempt to reconcile these statements with the stand he used to take on this very point in 1962, '61, '60 and so on. And then he also went on to say at that very same convention, to the Farm Union delegates, "On the basis of per man hour of labor, the agricultural industry here has been more efficient than any industry in Canada. In talking about the necessity of increasing production output we have allowed the impression to become widespread among farmers that unless they are able to come up with a grandiose operation there is no place for them in the agricultural community." So he says that it is a fact in his opinion that all this talk about efficiency is unjustified, when one considers the state of Canadian agriculture relative to agricultural industries in other parts of the world. But then, a month later, January of '64, we hear him say the following to the people at Brandon attending the Manitoba Farm Outlook Conference, January 27th, just a month ago today and just a month after he made the statement that efficiency was being talked about in a way that was unjustified. Then he goes on to say this, "The trend to larger farm enterprises, more mechanization and newer improved production practices to improve efficiency. Only by improving efficiency can farmers hope to produce cheaply enough to maintain or improve their standard of living." But this is precisely the opposite of what he told the people at the Farm Union Convention. Precisely the opposite. And so if there is confusion and doubt among the farm agricultural producers, how can they be blamed? They go by what they read and what they have been reading certainly hasn't been consistent, and the fact that things haven't been worse is perhaps because they don't believe all they read of what the Honourable Minister has been saying. Mr. Chairman, I suggest that the Honourable Minister should seek, and I hope he finds an agricultural policy which he can embrace, which he can give his heart and his mind to, and when he finds it I hope he stays with it, because up to now he's been as elusive as an eel -- can't pin him down. And his statements, when you compare the statements of January '64 to December '63, to February of '62, there is about as much consistency as with cobwebs. And so, I hope that he will be able to, in the course of the next 12 months before he comes back here, I hope he can find for himself an

(Mr. Schreyer, cont'd.) . . . agricultural policy and philosophy that he can embrace, and I hope he sticks with it.

And before I sit down I must mention the specific matter of marketing boards because here too, I wish that the Honourable Minister would find some policy regarding marketing boards that he can adopt as his own. I hope the Conservative Party in this province can adopt a philosophy with regard to marketing boards because I get the impression, and it's a rather distinct one, that they, a good many of them, are opposed to marketing boards. I've never heard any really support marketing boards with the exception of one, who was the Conservative candidate in one of the ridings which they didn't win. Oh, but he was a very popular candidate. I know that my honourable friend, the Minister of Agriculture went to a great deal of pains to get him to run under the Tory banner. He must have been worthwhile, and I suppose if he would have been elected he would have made a fairly good member, certainly better than the -- well, perhaps I shouldn't say that -- very interesting, what he had to say about marketing boards because he did have a philosophy and a feeling of conviction about marketing boards, and here's what he had to say. First of all to quote a preliminary sentence of this candidate, Conservative candidate, "There's no such thing as free enterprise," he said, "It started to decline with the first cave man and has declined steadily ever since." And he goes on to say that what the vegetable industry needs is -- specifically potato industry -- is a marketing board. Now there's one Conservative who has committed himself. I wish others would, especially the Minister of Agriculture.

MR. CAMPBELL: Mr. Chairman, I appreciate the consideration of the Honourable Member for Brokenhead in concluding his remarks before 10 o'clock, because I have found out through the years here that there are very few souls saved after 10 o'clock. If members are not completely frustrated by the time that 10 o'clock comes, they're apt to be at least inattentive, and from then on I think usually a speaker in here is talking mainly for the record. And I wouldn't say that that is particularly true after a discourse by my honourable friend, the Minister of Agriculture, for one hour and almost 20 minutes, because he, like myself, has a tendency to ramble a wee bit when he gets on the subject of agriculture. It's a question that's dear to the heart of a lot of us and we can be forgiven, I'm sure, if we cover a good bit of territory when we're talking on that subject. I would like to comment on the basis of comparison that he has chosen for this evening to prove that the government, of which he is a distinguished member, has done a grand job for agriculture, and that is the one of physical production. The total physical production, says my friend, in given years, is a good sound basis for comparison. Mr. Chairman, you need to reflect on that only ten seconds to think of what a ridiculous comparison this is. I do not know the figures, but I would hazard a guess that the physical production of the Province of Saskatchewan in the year 1963 is at least twice what it was in '61, just because of what nature did. Would my honourable friend want to give Tommy Douglas' successor up there, Woodrow Lloyd and his government, the credit for that. No! The credit belongs to Providence. And this is the key point about agriculture, that so much of the record that is established in agricultural production does depend on what Providence does, particularly in the Province of Saskatchewan, where such a large portion of their agricultural production is reflected in the grain crop, especially the wheat crop; and while that variation is probably not quite so great, and it isn't so great in Manitoba, even on the far-famed Portage Plains, this past year in '63, we produced on the Portage Plain a grain crop that was just a fraction of what it was in average years, let alone the good years. A farmer who farms right beside me, a neighbour boy who grew up in that area, as good a farmer I think as there is on the Portage Plains, with first class land, has been farming a particular quarter-section -- one of the really good ones in that area -- for a long time and he farms it well, there's no better farmer, with the best of equipment; and he has produced on that same quarter-section, on more than one occasion, he has produced better than 40 bushels per acre of wheat. In 1963, with everything done just as well, just as good seed, just as good planting equipment, everything done as well, as good cultivation, with all the machinery in the world to take the crop off when it's ready and fit, he produced this year 4 bushels to the acre. And this is what can happen in the way of production, and to use the physical production as the basis of a comparison is, I think, completely futile.

Then my honourable friend's quotation about the folks who had done the borrowing and had

(Mr. Campbell, cont'd.) . . . thereby increased their livestock production so greatly. Of course they would. They probably borrowed for that purpose. They were maybe some of the 3 percent people who borrowed for purposes other than extending their land holdings, and because they went into cattle production or some other branch of livestock on a larger scale, of course they would produce it very quickly in the first year. I think my honourable friend is capable of doing much better than that in the realm of comparisons, and he'll have to look, I'm sure, further than that to find something to pat himself and the government on the back about.

Now I have never been one that said the government had not done anything. I think they have tried. I think they've tried to put their programs into effect. I don't blame them for a lot of these things. All that I blame them about is when they try to pretend that something has been accomplished that hasn't been accomplished. Of course, I blame them for the extensive propaganda to try and keep up the policy that they are doing more than they are, but that seems to be the way of the world these times. They're not the only government that does it. Lots of others are doing that same type of thing. When my honourable friend worries about what the farmers are doing, that they are not following the advice perhaps that he has given them, and I know that his advice is extremely flexible, as my honourable friend has said. It has all the vagaries that nature has. It can swing just as far one way and change as much as Providence can, and my honourable friend, if he wants to continue to believe that confession is good for the soul and that only by confession shall redemption come, then I'm sure that he confesses pretty regular. But the thing that he needs to remember, that all of us need to remember -- he's not alone in this, we all need to remember -- that the farmer is a pretty capable fellow, when all things are said and done. He's got to be pretty capable. It's a hard life. He's got to struggle against a lot of odds, and he's got to be resourceful and capable and what is usually his yardstick? Gee, I'd like to say that it's the most idealistic thing in the world. I'm farmer bred and born. The only money I've got in the world is tied up in a farm on the Portage Plains. I'd like to say that the farmers are away above the rest of the people in their outlook toward the world in general and toward idealistic principles, but the farmers are just like all the rest of us. What's the compelling motive? The thing that they think they're going to make the money out of, in that particular year, and that's just not the Scotsmen among them, either. All of them. They try and figure out, to the best of the ability that they've got and the information that they can collect from a variety of sources, what this year and next year and next year and so on, what's the program that will likely make me the money. And this is why they change from one time to another. And of course the Honourable Minister is right; I do not disagree with him when he keeps saying that we shouldn't be in and outers on these programs. We should carry along and stay with them, and we should have intensive farming. These things are right. But the difficulty is that frequently the thing that the farmer figures out is going to make him money turns out that it doesn't do it that way, and it isn't just a question of him having the will to hang on. He frequently hasn't got the money to hang on. And my honourable friend doesn't need to tell me that either this Credit Corporation or the Canadian Credit Corporation, that either one of them will loan that farmer the money unless they also think that he's got a pretty good chance of making that operation pay. His files have lots I'm sure, if one could get a look at them, lots of cases where farmers have been turned down just because it was the judgment of the people in the Credit Corporation that he didn't have an operation that would pay. And this happens so frequently with farmers, and one of the cases is one that I could mention now.

The Minister has mentioned, the Speech from the Throne mentioned it, the conditions in agriculture in this past year were good -- at least that they were good in the economy generally and that there was no exception mentioned as far as agriculture was concerned. Mr. Chairman, as far as generally the west side of Manitoba is concerned, I think that's true. Conditions were good. But the east half of Manitoba, just about from Neepawa or a little this side of Neepawa down -- and always with the exception of the specialty crops because they are an exception -- did not have a good crop. They had a very poor crop. The Portage Plains had a very poor crop. Westbourne municipality, the reeve told me not long ago, had the poorest crop in its history, all the way along, in between Portage la Prairie and here, there are farms that haven't had a good crop, not even a half a crop, for three years. You carry right along. Specialty crops down in the country represented by the Honourable Member for Rhineland are an exception. Beet crops were an exception almost all over, and there are some exceptions, but

(Mr. Campbell, cont'd.) in general, we had a poor crop on the east half of Manitoba. And what does that mean? That means that the cost of production for all lines of activity, livestock production of all kinds, beef or pork or milk or what-have-you, the cost of production goes up because the minute that the grain crop is considerably decreased, then the finishing of the cattle or the increasing of the milk flow or the putting the last pounds on the hogs, becomes a costly matter; and this is the kind of thing that makes the difference between profit and loss; and there were many farmers in Manitoba -- and I'm not trying in this to blame the advice that the Honourable the Minister gave a year ago. I'm saying simply the fact that there were many farmers bought feeder cattle to feed through the '63 season and sold them at as little as they bought them for, or even less. True, they had the gain on the cattle and many of them came out even; some of them actually lost money; and the year '63, the one that has just passed, was a poor year for a lot of the farmers, especially the ones who had bought feeder cattle. The folks who were raising their own herd were not so badly affected, but even with those who raised their own cattle -- I know of a specific example, another neighbor of mine -- not the same one -- who is in the cattle enterprise in a good sized way, raises his own cattle completely, doesn't buy feeders, and he sold for the Christmas trade, in 1962 -- brought them in in December at the time that it was thought that they would hit a good market for the Christmas trade -- 16 or 17 steers, averaging a little over a thousand pounds each. So they bought his choice steers over here and the grade later on, because he checked the grade on the rail and it substantiated the judgment of himself and the buyer, and he got \$27.00 a hundred for those steers in 1962. In 1963 he marketed again, either 16 or 17 steers. I forget which year was which -- one year it was 16 and the other year 17. There were some heifers this year as well but I'm dealing only with the steers because they're exactly comparable. Again they weighed a little bit over a thousand pounds; again they were top quality and they sold for \$21.50 per hundred. Now this boy wasn't as badly off -- nothing like as badly off as those who bought feeder steers, because they had paid a high price. He at least had raised his and he certainly didn't lose any money, he made money, and he's not thinking at all of getting out of cattle because of this, because he isn't an in-or-outer. He's in to stay. But it makes a great deal of difference and to the feeder cattle man who is in that position and hits a change in one year's time such as that, a lot of them are just out and that's all there is to it; and if they haven't the resources to carry on it's difficult to blame them. So I come back to my original assertion that regardless of the motives, the farmers try to figure out where they will make a dollar to carry on with, and it's a pretty sound practice in general.

Well now, talking about the livestock business, I might be inclined to say something about the marketing board too, but I guess we'll get an opportunity to talk about that when the committee report is being discussed and so I'll run along to something else. But I would like to comment on what both the Honourable Member for Elmwood and the Minister have said about the imports of cattle. Now when the Honourable Member for Elmwood gives the figures about the cattle that are imported here, that sounds Pardon?

MR. PETERS: Hogs.

MR. CAMPBELL: Yes hogs that were imported, that's right. The hogs that were imported. I just checked the figures from the Federal Government Market Review and, according to my figures -- and 1962 is the last year from which I could get the complete figures from the library -- there were 215,000 hogs imported from the U.S. in round figures.

MR. PETERS: I have a later report if the honourable member would like to check it.

MR. CAMPBELL: There is no later report. This was '62.

MR. PETERS: This is right here and I've got it.

MR. CAMPBELL: What year?

MR. PETERS: Not You can be as smart as you like.

MR. CAMPBELL: Two hundred and fifteen thousand is the figure that I got in there.

Well now . . .

MR. PETERS: 4th of September, 1963.

MR. CAMPBELL: Oh yes. Well I'm not talking about '63, I'm talking about '62 because that's the latest year that I could get it completely, and I know the situation is different in '63 but this seems like a sizeable import -- 215,000 hogs imported into Canada. That's a big figure when you look at it. It's only, as I figure it, 3-1/2 percent or thereabouts, of all the

(Mr. Campbell, cont'd.) . . . hogs marketed in Canada, and that doesn't seem to be too big, and of course this is all Canada, but if you compared it with just Manitoba marketings it would be a figure of something like 46 percent of what would be marketed in Manitoba, and that seems big. But the other side of this equation is the fact that we do export cattle to the United States.

A MEMBER: Too many.

MR. CAMPBELL: Thank goodness that we do export cattle to the United States. This is the lifeline -- this is the lifeline of the cattle raisers in the Province of Manitoba. If we didn't have that export market open, and we couldn't have it open unless we were willing to import as well at times. If you're going to keep the border reasonably free, and it isn't completely free, you have to have quite a little variation in price one way or the other, because here again the farmers on either side of the line are not actuated by patriotism; they're actuated by what's to their financial advantage to sell on one side or the other of the line, and if you've got enough to carry the tariff on them, plus the shipping charges, if there's anything else in there, if you've got enough to cover the different costs of marketing in the two places, if you've got just a cent difference the cattle or hogs will flow one way or the other, and I say again, thank goodness that we've got the cattle market. It's the thing that keeps us a good cattle market in the Province of Manitoba and in Canada as a whole.

Well now, Mr. Chairman, I'm not going to take very much longer but I wanted to say a word on this question because I too would like to close on a more optimistic note, and I would like to say just a word on this matter of the wheat sales to Russia and other countries, because I really feel that we can be optimists about agriculture. I know that it hasn't been easy but I still think that we have a future here because I come back to my old theme that we are the food producers of the world. This is the traditional position of the farmer. We've still got a hungry world and we're here to raise the food; and if the people in the various countries of the world will just so arrange things that we can move the food to where the people are needing it, then this is what the people of the prairie provinces really want; and this is what, I think, will make a contribution to the stability of the world as well. There is nothing that is needed as much, with all the things we're talking about -- there's nothing that's needed as much in the world today as some stability between the different national entities. Nothing will be more likely to maintain the peace of the world, and if we can get nations trading and dealing with one another, meeting with one another, understanding one another better, it's a fine thing for humanity as a whole. But in addition to that, it's a wonderfully good thing for the people who want to sell food, because there are still in those heavily populated countries, there are still a lot of people that are short of food, and if we can supply just a portion of their basic needs, all of our surplus problem disappears immediately, and so I think these arrangements that are being made with a huge country such as Russia, the even huger one of China, are all to the good. We don't rejoice in Russia's misfortunes. I think from everything that I can hear that the fact is that they have been afflicted with a poor crop, perhaps a series of poor crops. That should bring joy to nobody's heart as far as the suffering and hardship that it will mean to a lot of people there, but it certainly is an economic blessing to us when we can come in and fill the void, and through filling the void, help to establish trade relations that at least would have a likelihood of lasting for some years. What applies to Russia applies in my opinion even more so to China, because that's the country that has by all odds the greatest population of any country in the world. And if -- I've said this before, I say it again -- but if we could get, if we could just get a small proportion of those people who are predominately rice eaters now, eating wheat which is a more nutritional food. If we could just make that conversion -- once again, we would not have enough wheat to go around, and we could start to increase our production with all the certainty in the world, always provided that they're in a position to buy it. So that I think there's a real opportunity. I think there's some reason for us being optimistic. I do not -- I do not accept without some question, and I am not in a position to pose as an authority, but from everything that I have read on this subject, I am afraid that some people on this side of the water, on this continent, are inclined to be too critical and too skeptical of Russian agriculture. I don't know, I'm only wondering about these things. But I hold in my hand, an article -- or a part of an article, from a recent issue of Time magazine. Time is a pretty well written magazine, in my opinion. I don't like its policies in a lot of ways. They're certainly, in my opinion, much too anti-Russia. To be anti-communist is

(Mr. Campbell, cont'd.) . . . one thing; to be anti-Russia itself, I think, can be carried to extremes. I don't defend Time in its attitude. In my opinion, they're too anti-United Kingdom too, to suit me, or at least not as appreciative as they should be of the United Kingdom. But in this article, I think it's rather characteristic of the kind of thing that we have to beware of -- and anyone who wants to check on this article -- several of you may have seen it already. It's an article headed "Russia", and it has three or four pages to it. It's from the issue of February 21st of this year, so it's quite current. And here's a statement that is made, after speaking of the difficulties that are facing agriculture there, it says: "But for city dwellers, Ivan Volovchenko, " who is the Minister of Agriculture, I believe, there -- Volovchenko's promised boundary came too late. After a winter of scarcities, they learned only two weeks before the meeting." This was referring to a big meeting in the Kremlin on the agricultural subject, "they learned only two weeks before the meeting, that fodder shortages last fall had forced farmers to slaughter 29 million hogs -- more than 40 percent of Russia's entire swine herd." Well now, 29 million hogs, more than 40 percent of Russia's swine herd. Well, this is characteristic of the misleading statements that can be made. That's apparently intended to indicate, or has impressed the writer of this article, that that's a terrible thing to have happen. Any country, every country that's growing hogs slaughters more than 40 percent every year. Every country -- more than 40 percent. The Honourable the Minister of Agriculture will tell you that Manitoba slaughters 100 percent of its hogs every year. If you're not marketing more than 100 percent of your hog population, you're not doing a very good business. I don't know what the figure is, but it would certainly be much more than 100 percent. So that, for this article to be pretending to give factual information about what is happening in Russia and then using a statement of that kind as evidence that they're in severe trouble is just completely misleading.

I hope that the other information that we have with regard to conditions in Russia is much more soundly based than this part. But again, and I think that perhaps with all the difficulties that they've had, and they've certainly no doubt had many; Russia's agriculture has no doubt been making strides too, because I think if you will check that figure 29 million, assuming that it's reasonably correct, I think you'll find that it bears a reasonable comparison per person in Russia to what our hog population would bear in Canada. Not too far out. But in the other area, it looks as though, and here I am quoting only from people such as the Wheat Board and other grain trade statistics -- it looks as though there is enough of difficulty there that there'll be a market for some years to come; and I say that is both our duty and our responsibility to help out in that situation and that it is also our opportunity, because it gives us that thing that farmers need above everything else, and that's a good market; because the farmer can meet with all the traditional handicaps, and goodness knows he's got a lot of them; he can battle against these recurring crop failures, he can battle against, or he can at least struggle with the effects of too much rain or too little rain, he can fight the insect plague, he can do his best through the advances that have been made in science and technology to escape the ravages of rust and disease, he can do the 101 things that he has to do, and still come out in pretty good shape if at the end of it all and through the years he has a good market for his products when he's through. And I think that the possibility of increasing and at least for some years, continuing markets to those countries, afford us with an immediate opportunity that is going to be very beneficial to agriculture and give us the incentive to go ahead and produce in the feeling that likely we will have a price as well as a market.

Then, I'm just optimist enough to hope that through the affluxion of time and the effects of people and nations getting to know one another better as the years go on, that we will have a little more steady economy throughout the world, and that's what the farmer needs -- that's what he really needs. And give him some circumstances of that kind and he'll go ahead and do his job; and we folk in here, whether we be in the opposition, where, of course, we're pretty smart -- or in the government side, question mark -- wherever we sit in here, we can do our -- we should do our best to try and advise the farmers about the situation as we see it, but we can never tell him how he's going to run his business. He'll make those decisions himself and he'll continue to do it. But with all the problems that face us today, I still think that we can remain optimists so far as agriculture is concerned.

So I wish the Minister well in his attempts, and I'll have a little bit more to say on other

(Mr. Campbell, cont'd.) . . . parts of the program later on.

MR. R. O. LISSAMAN (Brandon): . . . I want to ask the Honourable Member a question. I know that he pointed out that he wasn't saving many souls after 10 o'clock, but I've been listening to him, and when he was talking about 100 percent of the hog population, was he referring to hog flow -- we like to think of cash flowing through a business -- or of the total hog population, because I can't see how you can kill more than 100 percent of the total hogs?

MR. CAMPBELL: . . . this is right, though, that if you take the populations of hogs that are reported at the December 1st or June 1st survey, and you put that figure down and then take it again in June, take the June one, take it in December, take it again, and you'll find that the population can remain pretty static all through and you'll have marketed a lot more hogs than what your population said you had. But to reduce it to more simple terms and not make it statistical, then let us just take the position of the farmer with one brood sow. Of course, the sow needs some assistance, but with that assistance, the worst that that sow will do on the average is, let us say, seven or eight pigs. Well now -- (Interjection) -- Yes, and at least -- I'm saying under the worst conditions, at least she'll have seven or eight pigs and quite frequently there'll be more and quite frequently there'll be two litters, and all the rest. So that, you've had the population of one sow -- (Interjection) -- Aha, this is right, but you see this, the difference with the farmer's point of view to the other fellow. He never kills off the lambs, he never kills off the sow until he has another sow ready to take her place. And so you actually market more than 100 percent, a lot more.

MR. CHAIRMAN: passed.

MR. HUTTON: Mr. Chairman, I just wanted to make one comment here. I think I owe the members an explanation in the light of what was said by the Honourable Member for Brokenhead, because he has put his finger on a very troublesome, a very troublesome thing, and that is the impression that people in responsible positions lead with the farmers across the province. This has given me a great deal to think about. I didn't need his speech to prompt this thought either. You know, I'm not infallible at all. One could take the Holy Scriptures though, and thumb through them and pick out a lot of verses out of context and you can come up with some pretty odd-ball conclusions. I'm not in the same class at all, so I know very well that anybody without very much effort can take anything that I've said on different occasions and make it come to some pretty odd-ball conclusions. But I do want to say a word about this question of efficiency, mass production and the small farmer. It's true I made all three of those speeches, the one on the exodus of farm people and the fact that we didn't have anything to fear in the sense of the exodus that took place back in the times when all the free holdings were -- or when the lands in Great Britain were given over to sheep farming and the little farmer found himself shut out of the common ground, and forced out of agriculture.

I believe that an exodus out of farming is not only good but it is essential. Eight out of every ten of our young people have to find some place off the farm because there just aren't enough farms to go round. I think people who are ill-adjusted, ill-endowed, poorly endowed, to carry on agriculture are better off to find their way out. What is disturbing is an indiscriminate exodus out of the agricultural sector. If it is a selective exodus, one that provides for the preparation of the people for some other work which retains for the agricultural industry a sufficient number of able, willing, people to carry the industry along, this sort of an exodus is fine. It's the best thing in the world for the industry. But unfortunately we have had an indiscriminate exodus. We've had a lot of young people leave agriculture because they were convinced that there was no future for them in this vocation.

Now, efficiency, mass production, and the small farmer. It's true that I said that we're chasing people off the farm and that we're creating an impression that unless you can undertake a grandiose scheme, that there's no place for you. It's true that I got up at Brandon and I said farmers are forced to be more efficient. They are forced by circumstance to spend more money and invest more money and as they commit more money to these decisions that are becoming more numerous all the time, they are taking more risks, and we have to try to reduce the extent of the risk as much as possible by giving them as accurate information as we have available on which to base these decisions. Mr. Chairman, the little fellow who has a quarter section and is investing \$1,000 is taking just as much of a risk as the man with .1,000 acres who invests \$10,000. His little \$1,000 is maybe more to him -- it's the widow's mite, maybe

(Mr. Hutton, cont'd.) . . . -- it's more to him and a bigger risk that he's taking than that of a bigger farmer who is risking a lot more money. So what I said at Brandon was equally true of the man on the quarter section as the man who owned ten times as much land. I am convinced that just because a man has a small holding of a quarter, or 240 -- and I can take you out in my own district and show you these people -- there is a place for them. They can be efficient on a small scale, and they can build their -- small holdings up. I still say that one of the limiting factors is the question of attitude and confidence.

I'm not going to comment on the remarks of the Member for Ethelbert, because I don't lack confidence in the farmers, but I do think that not only us as politicians but farm leaders and others in responsible positions must demonstrate our confidence in the farm community and the agricultural industry, and demonstrate it by providing programs and making it possible for the farmers in Manitoba to do the kind of a job that we know they can do and will do if they are given a chance.

I'd just like to close on this note. There was a philosophy or a psychologist, or was it a sociologist, who developed a theory, and his theory was this, that if people in a community believed in that community, that community would grow. They would invest of themselves, they would invest of their money in that community and it would grow and prosper. On the other hand, on the other hand, if the people in the community became convinced as individuals and as a community that there was no future for that community, it wouldn't matter what you did, the community would die. I'm just trying to think of the title of this formula -- I think it's self-determining formula where attitude is the key to the development of the individual in the community. I think that we all here have a tremendous responsibility to demonstrate our faith and our confidence in this most important industry to Manitoba. I was so happy to see the Honourable Member for Lakeside get up and in no uncertain terms state his confidence in this industry here in the province, because it does matter what you and I say. It does matter what you and I say about this industry. People do listen to us. Lot's of times they have no reason to, but they do listen to us. I agree with the Honourable Member from Portage that money is the main motivating factor with the farmer. But you know something -- that in 1963, in spite of the fact that there were poor prices for beef, Manitoba showed the greatest percentage increase of any province in Canada in the expansion of our beef cattle population, and I believe that in some way this was the result of a -- to some extent -- of the confidence that was expressed, not just by this government, but by economists, and people of respected positions right across Canada in the future of the beef industry, and the farmer, taking this into account, what he read in the newspaper, what he read in the farm papers, what these noted authorities on agriculture had to say about it, he made this move and in spite of lower prices in the beef industry we did move ahead. As a matter of fact we can be quite proud that we moved faster than any province in Canada.

MR. CHAIRMAN: Administration. Resolution 28 passed. Agriculture 3 (a) Livestock Branch, pass. (b) Dairy Branch

MR. SHOEMAKER: Mr. Chairman, are we not going to take these (a) 1, 2, 3, 4, 5, 6, 7, and so on, because I'm sure that someone will want to bring up the Bang's Disease subject again.

MR. CHAIRMAN: If we call the (a) you can deal with anything under those subdivisions there.

MR. SHOEMAKER: Very good. I have had two or three or more farmers in my area ask me if this province has a policy or program to pay for the death of an animal resulting from the inoculation for Bang's or rabies, or any one of the other diseases that they are treated for, and I don't believe that it is a fact, that is if a farmer calls a vet out to inoculate or vaccinate say a 100 head of cattle and 2 of them die as a result of the treatment, there is no program, or policy, or provision for paying the farmer for the death of those two animals. Now in Ontario they do pay them, and I believe that they, that is Ontario, has an agreement with the Federal government to provide for this -- not only for the Bang's Disease, but for rabies. I wonder if there is such a program in this province? -- (Interjection) -- Has it been offered to this province by the Federal government? According to a letter that I have from the Minister of Agriculture in Ontario, it is available to all of the provinces. I can send it over and . . .

MR. HUTTON: What are the terms of the proposal or the offer from Ottawa?

MR. SHOEMAKER: This is from the Minister's office in Ontario, signed by a Mr. W. A. Stewart -- it doesn't say that he is the Minister, he may be the Deputy Minister -- (Interjection) -- He is the Minister? Well it's rather a long letter, perhaps I could send it over to my honourable friend. The Minister encloses the regulations in the Act as well, and says that "Ontario contributes 60 percent of the compensation with the federal department at Ottawa contributing the balance." I'll send it over for his information.

MR. PAULLEY: Mr. Chairman, I don't know whether this would be the proper place, the Livestock Branch -- there is reference in two places at least in the estimates of my honourable friend dealing with veterinary services. This deals with the question of the veterinary science scholarship fund of \$5,000.00. Now I'd like to raise a point and hear what my honourable friend, the Minister of Agriculture has to say in reference to the Veterinary College. Now, this afternoon and other times we have heard from my honourable friend the Minister, now the Minister of Education, when he was the Minister of Welfare and Health we always used to hear about the "firsts" for Manitoba. My honourable friend the Minister of Agriculture is sometimes wont to say the same thing about how we are first in everything here in the Province of Manitoba and how others from other jurisdictions just flock into Manitoba to find out how to build a better floodway, how to do this, how to do that, notwithstanding the deficiencies in what they see when they get here, but nonetheless these are the things that our friends opposite love to tell us and the people of Manitoba.

Now then, they certainly are not first in the field of veterinary science. I think that they have missed the boat. I wonder, though, if my honourable friend can tell us whether the government intends to make any contribution to the establishment of the Veterinary College which is going to be built in Saskatchewan. I believe the Province of Alberta have joined with Saskatchewan in the building.

There was a suggestion, I believe at one time, that the three prairie provinces, Manitoba, Saskatchewan and Alberta should join in this effort to have a college located on the western plains. I don't know whether the reason it might have been rejected for Manitoba is because if we can't have it first we don't have it at all, in order that my honourable friend might brag at some future date, but I would like to hear from him in regard to the setting up of the college.

While I'm talking on the question of Ceterinary services and likes of this, I've had -- as indeed the Honourable Member for Emerson drew the attention of the committee this afternoon -- I think it's very pertinent. I want, too, to join and ask the Minister of Agriculture to look into the provisions of a certain Act dealing with the use of some drugs. I've had numerous complaints that in the poultry field and in the livestock field too, the feed houses and the likes of that, they're quite concerned. They've just recently found out the possible adverse effects to them as the result of the changes in Pharmaceutical Act. But I would like to hear from my honourable friend the Minister in reference to the position of Manitoba insofar as the veterinary college is concerned.

MR. HUTTON: Mr. Chairman, I'll answer the questions one at a time and I think I can do a better job. A quick answer on compensation -- this compensation program. The Province of Manitoba has not introduced a compensation program for losses under the vaccination program. As I recall, when the Honourable Member for Gladstone gave the details, I was at one time aware of the fact that this 40 percent contribution from the federal government was available to the province, but we hadn't seen fit to introduce the program here in the province.

On the question of the bill that was referred to by the Leader of the NDP, this matter was an unfortunate oversight, and we became aware of it two days ago. The Department of Agriculture and Department of Health are working on the matter in the meantime. -- (Interjection) -- Yes.

On the question of the veterinary college. To provide a veterinary college requires a very substantial investment of capital monies. The federal government offered to pay, I believe it was \$650,000, or to make a grant available of \$650,000 to either Alberta or Saskatchewan, whichever one decided it was the -- wherever it was decided that this college should be established. It is going to serve the three prairie provinces and British Columbia, and a

(Mr. Hutton, cont'd.) . . . committee was established. Dean Weir was nominated by Manitoba to serve on this committee to consider the best location for the veterinary school. This committee recommended that it be established at Saskatoon, and that accounts for the location of the college in Saskatchewan. I don't think I can enlarge on it. I am not aware that Alberta is making any contribution to the capital cost of the building. It was pretty well agreed between the provinces at the times that this matter was discussed, that the provinces would confine any contributions they would make to tuition, the tuition that would be charged to students coming from Manitoba, Alberta or B.C.

MR. PETERS: Mr. Chairman, I notice that under Bang's Disease, there's a reduction from \$131,000 last year to \$70,000 this year. Could the Minister tell us, is that because there's a reduction of the cattle population in the province, or why there is the reduction?

MR. ALBERT VIELFAURE (La Verendrye): Mr. Chairman, on the Bang's issue, could the Minister give us the figures as to how many animals were tagged last year and if we're improving on that or not? Also is there a way of checking the tests on these Bang's cases? I'm sure the Minister is aware this is a very serious problem in the dairy industry, where when an animal reacts, they all have to be checked back after, I think it's thirty days, and then if one is doubtful, another check is done again after, I think it's thirty or ninety days, and this sometimes lasts for about a year. I'm not an authority on it, but I'd just like to know if these tests are rechecked at the abattoir, so that the farmer is not the victim of tests that are not exactly necessary, because definitely this creates a burden for the farmer, because animals, like human beings, do not enjoy the needle, and for quite a while after the test has been conducted, anybody who walks in the barn with a white shirt is not exactly welcome. So I'd just like to know if these tests are checked again to make sure that they are really needful, and also if we're improving on that or if we had as many last year as the year before.

MR. TANCHAK: . . . answer on Bang's? Because I wasn't going to talk on Bang's.

MR. HUTTON: You will note that the Bang's item is reduced to \$70,000 from \$131,000. Right? There was some discussion, Mr. Chairman, about the role of the vaccination program in the control of Bang's since and because of the fact that the federal government program of tests and slaughter was largely completed in Manitoba. Saskatchewan had reduced their contribution to the vaccination of calves to 50 cents and then eliminated it, I believe effective this past fall. We were of two different minds on this subject, and we felt that we should reduce the government contribution to the vaccination of calves in Manitoba, because it was undertaken many years ago, when we felt that the time had come when its value as an educational intensive program had largely been proven, and that it might be in order to effect some change. There was a national meeting of veterinarians at Ottawa, where provincial veterinarians met with representatives of the Health and Animals Division of the federal Department of Agriculture, and after consultation they determined that the Bang's program should be continued but that some adjustments should be made in it. It was agreed that only heifers were to be vaccinated between the ages of four to eleven months, and that the federal government would only test those animals over 36 months of age. This was to avoid the difficulty that arises sometimes, where an animal has been vaccinated and the vaccination shows up in the tests, and it is difficult to distinguish between a real reactor and one that shows a reaction because they have been vaccinated, or not a sufficient time has gone by for the reaction to subside.

We carried on discussions with the representatives of the Veterinary Association here in Manitoba, and they agreed to make an adjustment, or to consider an adjustment in the charges that they were making for the vaccination of calves, and at their recent convention here in Winnipeg, the Manitoba Veterinary Medical Association agreed to establish a fee of \$1.50 per calf for the Brucellosis vaccination, and agreed that where the number of calves on the premises exceeded five and the circumstances warrant, the practitioner would be able to grant a reasonable reduction in recognition of the numbers of calves that he had treated.

The plans of the Health of Animals people are that once they have completed their test and slaughter program, and there is just a little mopping up to do, that they will have a control program by using the Ring Test on milk and cream, and by testing all cattle that come in, female cattle coming in for slaughter; and then if the reactor shows up, they will go back out and do a recheck on the herd from which this animal came. But they don't intend to carry on any general test and slaughter program as they have in the past, so I think that a lot of ranchers and cattlemen will breathe a sigh of relief.

MR. TANCHAK: Mr. Chairman, just a few words. I don't think I'll take a lot of time. I'm happy that the Minister just made a statement that some of these pharmaceutical preparations will be looked into, and I know that we are all subject to slight oversights and I blame myself just as much because I'm really in the deep of it. I use a lot of those medications on my one-quarter section of land where I had invested \$100,000 so far

MR. PETERS: Come on now, you guys got the money

MR. TANCHAK: I'll be a little bit bragging comparing it to my own . . . but there's something else I'd like to bring up. I'm not going to belabour this because I know we'll get the opportunity in committee. I would like to for once compliment the Minister, or the Department of Agriculture, on one item here on poultry services and that's the poultry blood approval and blood testing. I suppose the Minister is aware that the department has been criticized for many years in the way that they handled this job, but last year a new program was introduced with which most of the turkey flock producers are happy. There was mention made of marketing poultry.

MR. PETERS: Mr. Chairman, it's 11 o'clock.

MR. TANCHAK: Is it the wish -- do you want me to hurry? Just half a minute.

MR. CHAIRMAN: Let's stay with the Livestock Branch. Is that what you're on now?

3 (a) -- Livestock Branch.

MR. TANCHAK: That's what I'm on. Poultry and Livestock. And as far as the marketing boards for turkeys, marketing boards as a rule I have nothing against, and I think that they do a service and maybe as far as the hog marketing boards are concerned I think that if they have other provinces in it they are in place, but as far as marketing boards for turkeys in particular, with one province taking part in it; I do not think that this is in place. If there was a national marketing board I think that it would help us because we do not establish the markets here. It's Ontario and Quebec that does. As far as hogs I agree with that personally. I don't commit my Party. A hog marketing board I go along with that. (Interjection) Yes. No. Altogether, I understand Saskatchewan, Alberta, and Ontario are all trying to work out a simultaneous program including Manitoba, and if that comes about in my opinion I think it would be for the best. Well, if turkeys -- if we can include more, if we can include Ontario I'd go ahead with it, but with the province alone I will not agree on that. And there's one more item that I have to discuss here but I can bring it up later because it is relevant to another item in here, so I'll sit down now.

MR. EVANS: Committee rise.

MR. CHAIRMAN: The committee rise and report. Call in the Speaker. Madam Speaker, the Committee of Supply has adopted certain resolutions and directed me to report the same and ask leave to sit again.

MR. MARTIN: I beg to move, seconded by the Honourable Member for Morris that the report of the Committee be received.

Madam Speaker presented the motion and after a voice vote declared the motion carried.

MR. EVANS: Madam Speaker, I beg to move, seconded by the Honourable the Minister of Agriculture that the House do now adjourn.

Madam Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Friday afternoon.